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November 28, 2005

BY ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Compliance Letter of Shared Data Networks, LLC
WC Docket No. 05-196

Dear Ms. Dortch:

Shared Data Networks, LLC, d/b/a SDN Global ("SDN"), by its attorneys, hereby submits the compliance report required pursuant to the Commission's *Order* establishing enhanced 911 requirements for IP-enabled service providers.[1] As described herein, SDN provides interconnected VoIP to a very small number of customers as an ancillary to SDN's VSAT data services. SDN has notified all those customers of the limitations of the service with respect to 911 calls, and has received acknowledgments from all its customers. However, SDN has not yet implemented a 911 solution for its VoIP customers. SDN anticipates that by March 31, 2006 it will have completed all the steps necessary to comply with the Commission's 911 routing and customer location requirements. Accordingly, SDN requests a temporary waiver of Section 9.5 of the Commission's Rules, 47 C.F.R. § 9.5.

BACKGROUND

SDN offers satellite-based communications services using Ku-band Very Small Aperture Terminals ("VSATs"). SDN uses satellite technology to

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[1] *IP-Enabled Services and 911 Requirements for IP-Enabled Service Providers, First Report and Order and Notice of Proposed Rulemaking*, 20 FCC Rcd 10245, 10273 (2005) ("*VoIP 911 Order*"). *See also Enforcement Bureau Outlines Requirements of November 28, 2005 Interconnected Voice Over Internet Protocol 911 Compliance Letters,* Public Notice, DA 05-2945, Nov. 7, 2005 ("*VoIP 911 Public Notice*").

provide connectivity, remote asset management and data continuity solutions for enterprise applications. In particular, SDN's offerings allow broadband communications in remote locations such as construction sites where comparable terrestrial services are unavailable, and SDN also provides restoration when terrestrial services are interrupted.

In the U.S., SDN's systems have restored communications to areas damaged by hurricanes and other natural disasters. SDN's customers include major power companies and oil and gas distributors in the Southeast that were severely affected by terrestrial network failures in the wake of Hurricane Katrina. SDN also deployed a terminal to the largest supplier of drugs to hospitals in New Orleans, which couldn't resume critically needed shipments until its communications were restored. Through its offerings abroad, SDN provides communications to the U.S. Army in Iraq and has supplied equipment needed to restore communications services in response to disasters such as the tsunami last year in Southeast Asia.

As an adjunct to its core data offerings, SDN allows users to connect handsets to the VSAT terminal that permit the terminal to be used for VoIP communications. These handsets were initially introduced overseas to permit voice communications in areas where no terrestrial alternative is available. In the U.S., where the terrestrial network is ubiquitous, SDN has deployed a limited number of handsets to customers to permit critical communications in the event of a terrestrial service outage or to remote locations where terrestrial services are either not yet available or have been damaged. Currently, SDN has fewer than three dozen VoIP handsets deployed nationwide.

Thus, SDN's VoIP service differs from typical mass market VoIP offerings in important respects. First, it is not intended to serve as a substitute for traditional voice telephone service. The VSAT equipment and satellite capacity required for SDN's service make it more costly than comparable U.S. terrestrial wireline or wireless voice services. Thus, it is unlikely that an SDN customer would use the VoIP handset for a voice call unless there was no terrestrial alternative available. Second, the SDN VoIP service is typically used only for relatively short periods of time. Thus, an SDN voice handset may be used at a construction site that has not yet been reached by a terrestrial wireline service until that service is built out. Alternatively, SDN's service may be used for voice calls during a terrestrial service outage until the terrestrial service is restored. Again, the

economics of SDN's service dictate that a customer would prefer to use a terrestrial wireline or wireless alternative if available.

SDN became aware of the Commission's enhanced 911 requirements for VoIP providers in early September, when SDN personnel contacted SDN's outside counsel regarding service restoration to enterprises affected by Hurricane Katrina. At that time, SDN received informal advice from the Commission staff that SDN should not delay or restrict deployment of services to Hurricane victims out of concern regarding compliance with the notification requirements of the *VoIP 911 Order*. Upon learning of the 911 requirements, SDN immediately prepared customer notification and acknowledgment documentation and handset stickers. By October 15, 2005, SDN received signed acknowledgments from 100% of its VoIP customers regarding limitations on 911 access using the SDN VoIP service.

SDN also has been investigating the technical steps needed to achieve the enhanced 911 connectivity required by the Commission's rules. However, the demand for emergency communications restoration in response to Hurricanes Katrina and Rita has led to a significant surge in demand for SDN's service. SDN deployed over one hundred sites nationwide for recovery related to the hurricanes and doubled the capacity of its network. These efforts have preoccupied SDN's staff during the period since SDN learned of the enhanced 911 requirements.

SDN has held discussions with providers that offer 911 connectivity but is concerned about the impact of purchasing such services on the cost structure for SDN's VoIP offerings. The 911 connectivity services SDN has been offered appear to be tailored to mass market VoIP offerings, and involve high initial set-up fees and substantial minimum monthly charges. As noted above, SDN has very few VoIP customers in the U.S. (currently 34). Although SDN hopes to expand its customer base in the future, the market for SDN's services is much more narrow than that of a typical provider of VoIP to enterprise and residential customers. The need to recover substantial 911 connectivity fees from a small number of VoIP customers could make the restoration and emergency recovery services SDN offers cost-prohibitive to many prospective users.

SDN is continuing to explore its options in search of a more economically feasible solution. SDN is committed to coming into full compliance with the Commission's enhanced 911 connectivity requirements. SDN plans to finalize negotiations with a 911 connectivity provider, obtain connectivity service,

and implement all necessary requirements relating to customer location information by no later than March 31, 2006.

SDN requests any necessary waiver of the Commission's Rules to permit SDN this additional time to come into compliance with the enhanced 911 requirements. Grant of such a waiver is in the public interest. As noted above, only the 34 customers who currently have VoIP handsets will be affected by the delay in 911 connectivity, and all of these customers have received notification of and have expressly acknowledged the current limitations of SDN's 911 service. Furthermore, the waiver will permit SDN to continue to explore alternatives so that it can implement the Commission's requirements while maintaining the economic viability of SDN's VoIP service. SDN will not market VoIP service or accept new VoIP customers until it has come into full compliance with the Commission's enhanced 911 connectivity obligations.

REQUIRED INFORMATION

SDN provides the following information requested by the *VoIP 911 Public Notice*:

- 911 Solution: As discussed above, SDN has not yet completed arrangements for 911 connectivity. Thus, routing of 911 calls to appropriate public safety answering points with transmission of ANI and registered location information is currently not available to any of SDN's 34 VoIP customers. SDN has outlined above its plans to come into compliance with the requirements for 911 connectivity by March 31, 2006.

- Obtaining Initial Registered Location Information: SDN has a record of the location at which each VSAT terminal with a VoIP handset was initially deployed. Once SDN has entered into an arrangement for 911 connectivity, it will contact all its VoIP customers to confirm that its information regarding the registered location of the terminal is accurate and current.

- Obtaining Updated Registered Location Information: Once SDN has entered into an arrangement for 911 connectivity, it will establish methods for VoIP customers to report any changes in

their Registered Location, including a method that permits them to report such changes using the VoIP handset.

- Technical Solution for Nomadic Subscribers: The SDN VoIP handset is programmed for use only with the VSAT antenna and with SDN's network. As a result, unless they reprogram the VoIP terminal, SDN's VoIP customers cannot use their service nomadically. Accordingly, SDN does not anticipate a need to devise a technical solution for nomadic subscribers.

Please direct any questions regarding this submission to the undersigned.

Respectfully submitted,

Karis A. Hastings
Counsel for Shared Data Networks, LLC

cc: Kathy Berthot, Deputy Chief, Spectrum Enforcement Division
Janice Myles, Competition Policy Division
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